



AFRICAN DEVELOPMENT
BANK GROUP



Republic of Liberia

**MINISTRY OF COMMERCE AND INDUSTRY
Ministerial Complex, Congo Town
Monrovia, Liberia**

(CONSULTING SERVICES)

NAME OF PROJECT: Program for Advancing Youth Entrepreneurship and Investment (Sub-Project A: Liberian Youth Entrepreneurship and Investment Bank)

Assignment Title: **Firm Selection to serve as financial services providers for the Liberian Youth Entrepreneurship and Investment Bank**

Financing Agreement reference: **2100150043943**

Project ID No.: **P-LR-HB0-003**

Issue Date: **May 13, 2024**

End Date: **May 29, 2024**

1. Background

The Government of Liberia through the Ministry of Commerce and Industry (MOCI) has received UA \$12 million from the African Development Bank (AfDB) for the Liberian Youth Entrepreneurship and Investment Bank (YEIB) and intends to apply part of the funds for the selection of firms to provide YEIB-dedicated financial services to youth-led businesses and Micro, Small and Medium Enterprises (MSMEs). The overarching goal of the project is to strengthen financial and non-financial business service to young women and men entrepreneurs in ways that ensure inclusion, decrease vulnerabilities, and prepare for resilience and long-term sustainability of service provision. Specifically, the project intends to youth-dedicated institutions, modeled on the AfDB's Youth Entrepreneurship Investment Bank framework that will provide affordable development and financing solutions to Liberia's youth-led businesses; develops a Youth Entrepreneurship Investment Bank (YEIB), which is the soft infrastructure of the Program for Advancing Youth Entrepreneurship and Investment (PAYEI) ecosystem, delivering financial and business development services; and set up a Business Innovation and Development Center (BIDC) that is the hard infrastructure of the PAYEI ecosystem. The project has four components, with component 1 dealing with youth entrepreneurship oversight; component 2 focuses on establishing youth-dedicated institutions; component 3 deals with deploying YEIB services; and component 4 focuses on project management. The project intends to apply part of the proceeds of the funding for eligible payments under the contract to hire institutions to serve as financial services providers and report to the Project Implementation Unit.

Non-performing loans (NPLs) reached 25.6% in 2021, well above the Central Bank of Liberia's (CBL) limit of 10%. The industry's liquidity ratio was 48.6% and the capital adequacy ratio was 30.1% in 2021 – both figures well above the regulatory minimums of 15% and 10%, respectively. A number of financial sector ecosystem constraints are hindering market performance including a limited credit registry system, financial institutions (FIs) lack of confidence in the existing collateral registry, problems with the national ID system, and a lack of regulatory frameworks governing the equity capital and insurance markets.

Debt financing is available albeit limited to short-term lending with tenors up to 18 months and interest rates as high as 25% per annum. The domestic equity market is limited to only a few donor-seed funding pilot projects and private equity investment funds. Provision of finance to the "missing middle" segment of SMEs (too large for microfinance, too small for commercial) is dominated by just a few players and is one of the biggest barriers to private sector development. Access to long-term asset finance is also limited to one non-bank financial institution (NBFI).

In light of the aforementioned, the Government of Liberia with funding from the African Development Bank, intends to enhance access to finance to MSMEs and youth-led businesses in a sustainable way that enable youth-led businesses and MSMEs in general to start, grow and scale their businesses. **This consultancy assignment intends to hire firms to provide dedicated YEIB's financial services to youth-led businesses and MSMEs.**

The primary objectives of this assignment include but not limited to the following:

- To design YEIB financial services products and effectively deploy same in the Liberian market
- To design efficient system for selecting beneficiaries and deploying financial products
- To enhance awareness on YEIB financial services
- To provide Youth-led enterprises (i.e., start-ups, early-stage, growth) with financing, including green financing (disaggregated by female and male led youth enterprises) of which at least 50% are outside Monrovia
- To raise additional capital to match YEIB funds

2.The Scope of the Services to be performed

The Financial Service Provider is responsible for the development and deployment of tailor-made financial products, services/solutions for youth-led micro, small, medium and large firms (MSMEs) aim at addressing the financing needs of MSMEs in alignment with the objective of the Youth Entrepreneurship and Investment Bank Initiative of the African Development Bank.

The firm/institution shall perform the following services:

- Development of tailor-made financial services for MSMEs at different levels, start-up, early-stage, growing and mature MSMEs
- Development and deployment of financial products for MSMEs within key sectors of the economy to include agriculture, construction, tourism, transportation, etc
- Development of financial products/solutions for MSMEs engaged in climate-sensitive activities
- Management of YEIB funds received for the provision of YEIB-tailored financial services
- Monitor and report the performance of MSMEs that accessed financial services including documenting change in productivity, employment levels, and change in revenue
- Responsible for credit risk management processes and practices
- Oversee allocation, disbursement, collection and recovery of funds provided to MSMEs

- Communication and awareness of YEIB-tailored financial products
- Provision of monthly and quarterly reports to YEIB PIU
- Willing to receive capacity building support
- Forge partnerships to mobilize additional capital to support MSMEs

Minimum Qualification, Skills and Experience:

The financial services provider should meet the following requirements:

- An MSME-centric financial institution
- Solid enterprise risk management system and infrastructure
- At least 7 years of experience in providing access to finance to SMEs in Liberia and/or West Africa region
- Have extensive coverage/network across Liberia
- Must be in good standing with the CBL and other regulatory institutions
- Solid experience in designing and delivering financial services that address the financing needs of MSMEs
- Experience in partnering with development finance institutions and/or international organizations in unlocking access to finance for MSMEs is an added advantage
- Knowledge and/or experience in providing finance to support climate change, adaptation and mitigation measures is an advantage
- Knowledge and/or experience in designing and delivering financial services to women-owned businesses
- Must be in good financial standing

KEY PERSONNEL OF CONSULTING FIRM AND THEIR QUALIFICATIONS

The firm must have the following key personnel with the relevant qualifications outlined herein:

Position	Required Skills/Qualifications
Team Lead	<ul style="list-style-type: none"> • A minimum of Master’s Degree in finance, business administration, commerce, economics, development finance or related field. • At least 10 years’ experience in credit risk management, business development, SME access to finance, and financial inclusion. • Experience working in the aforementioned fields in Liberia or the sub-region, for more than 5 years or a mix of sub-region and international experiences for more than 8 years is a must. • Experience in managing SME access to finance or loan program • Good understanding of country, regional and global SMEs/agribusiness trend and related issues (challenges and successes) is desired. • Experience with multilateral development banks and/or international financial institutions is desirable
Credit Officer	<ul style="list-style-type: none"> • A minimum of Bachelor’s Degree in finance, business administration, commerce, economics, development finance or related field. • At least 5 years’ experience in credit risk management, financial planning, business development, asset management and asset recovery

	<ul style="list-style-type: none"> • Experience in providing access to finance to MSMEs in climate-sensitive sectors • Experience working in the aforementioned fields in Liberia or the sub-region, for more than 5 years or a mix of sub-region and international experiences for more than 6 years is a must. • Experience in analyzing business plans and financial proposals of MSMEs • Good understanding of Liberia’s financial sector regulations • Experience with multilateral development banks and/or international financial institutions is desirable
Agri-Finance Expert	<ul style="list-style-type: none"> • A minimum of Bachelor Degree in agri-finance, agribusiness, finance, or related field. • At least 5 years’ experience in agri-finance, agribusiness development in multiple agro-processing sub sectors, including agricultural value chain development, mainly in the region. • At least five years’ experience in working in the aforementioned fields in the sub-region and Liberia is an added advantage. • Experience in financial analysis and evaluation of proposals and business plans of SMEs in the agriculture sector • Experience in financial inclusion and SMEs access to finance • Knowledgeable in the areas of business model development and implementation of growth strategies for agro-processing sector highly desired. • Experience with multilateral development banks and/or international financial institutions is desirable
Marketing Expert	<ul style="list-style-type: none"> • A minimum of Bachelor Degree in marketing, business administration, finance, economics or related field. • At least 5 years’ experience in marketing financial products in multiple sectors including agro-processing and business planning • Working experience in the region and Liberia is an advantage • Experience in developing marketing strategies, tools and materials for diverse audience • Experience in leading marketing programs in the banking sector is desired • Experience in microfinance/access to finance for SMEs is an added advantage • Experience with multilateral development banks and/or international financial institutions is desirable
Recovery Officer	<ul style="list-style-type: none"> • A minimum of Bachelor’s Degree in finance, business administration, commerce, economics, development finance or related field. • At least 5 years’ experience in credit risk management, asset recovery, business development, regulatory compliance, or related field

	<ul style="list-style-type: none"> • Experience in financial asset recovery and management of non-performing loans • Experience working in the aforementioned fields in Liberia or the sub-region, for more than 5 years or a mix of sub-region and international experiences for more than 6 years is a must. • Experience in access to finance for MSMEs • Good understanding of Liberia’s financial sector regulations and legal regulations on asset recovery • Experience with multilateral development banks and/or international financial institutions is desirable
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Duty Station: Monrovia
Start Date: TBA
End Date: TBA
Duration of Assignment: 1 Year

The Ministry of Commerce and Industry invites eligible consulting firm (s) to indicate their interest in providing these services. Interested consulting firm (s) must provide information indicating that they are qualified to perform the services, (i) information detailing the company’s existence and areas of expertise (ii) list of similar assignments and experience in similar conditions, (iii) list of overall permanent and temporary staff in fields related to the assignment (Qualification will be considered from one of two perspectives: a. firm’s qualification and b. staff and consultants qualification), (iv) evidence of past performance if any, and (v) any other relevant information that might be useful. Consulting Firm may constitute joint ventures to enhance their chances of qualification.

Eligibility criteria and the selection procedure shall be in accordance with the African Development Bank’s “*Procurement Policy Framework for Bank Group Funded Operations*” October 2015 which is available on the Bank’s website at <http://www.afdb.org>.

Further information can be obtained at the address below during office hours, i.e. from 0900 to 1700 hours (GMT) on working days.

Expressions of interest must be delivered in a written form to the address below by hard copy of email by 29th May, 2024 @ 1700 hours (GMT) and mention “**Provision of Financial Services for the Program for Advancing Youth Entrepreneurship Investment (PAYEI)**”.

Attn:

**Deputy Minister for Administration
Ministry of Commerce and Industry
Ministerial Complex, Congo Town
Monrovia, Liberia**

E-mail: mewaseh76@gmail.com, and copy the following:
Wlyealue@gmail.com; jsblango1@gmail.com